

September 28, 2006

Lisa M. Thorne
Vice President
Verizon New Hampshire
900 Elm Street, Suite 1927
Manchester, NH 03101-2008

Re: DT 06-119; Verizon New Hampshire
Amendment to Special Contract for Service with St. Joseph Hospital

Dear Ms. Thorne:

On August 30, 2006, Verizon New Hampshire (Verizon) filed an amendment to an existing special contract with St. Joseph Hospital to add ISDN virtual numbers.

Staff reviewed the cost study data submitted by Verizon for the amendment and requested additional information. Verizon provided some of the requested information, but to date has not met Staff's request for additional data to support its cost study. Staff however, recommended approval for the amendment based on the fact that the revenue associated with the additional service is inconsequential to the original contract, filed in Docket No. DT 06-019, which produces a margin above cost.

Please be advised that the instant special contract amendment will be allowed to go into effect because of the insignificant revenue and costs associated with the contract amendment relative to the revenue and costs associated with the original contract. However, under similar circumstances in the future, where Verizon does not provide sufficient data to determine that the rates are set not less than the incremental cost of the relevant service, consistent with RSA 378:18-b II, the Commission may reject the contract.

For administrative efficiency, the Commission will not issue an order suspending, rejecting, or approving the proposed amendment to the special contract. Accordingly, pursuant to RSA 378:18-b, II (a), the proposed amendment to the special contract between Verizon and St. Joseph Hospital is effective as of September 29, 2006.

Very truly yours,

Debra A. Howland
Executive Director and Secretary